

SENATE No. 1503

The Commonwealth of Massachusetts

PRESENTED BY:

Joan M. Menard

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to the alternative portfolio standard.

PETITION OF:

NAME:

Joan M. Menard

DISTRICT/ADDRESS:

First Bristol and Plymouth

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO THE ALTERNATIVE PORTFOLIO STANDARD.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

Section 11F1/2 of Massachusetts General Law Chapter 25A shall be amended by striking said section and inserting in place thereof the following:

Section 11F1/2. (a) The department shall establish an alternative energy portfolio standard for all retail electricity suppliers selling electricity to end-use customers in the commonwealth. Every retail electric supplier providing service under contracts executed or extended on or after January 1, 2009 shall provide a minimum percentage of kilowatt-hour sales, as determined by the department, to end-use customers in the commonwealth from alternative energy generating sources and the department shall annually thereafter determine the minimum percentage of kilowatt-hour sales to end-use customers in the commonwealth which shall be derived from alternative energy generating sources. For the purposes of this section, an alternative energy generating source is one which generates electricity using any of the following: (1) gasification with capture and permanent sequestration of carbon dioxide; provided, however, that the fuel shall be purchased by, and contractually transported to, the alternative energy generating source in ISO -NE, as defined in section 1 of chapter 164; (2) combined heat and power; (3) flywheel

energy storage; (4) any facility which substitutes any portion of its fossil fuel source with an equal to or greater portion of an alternative, paper-derived or wood chip fuel source approved by the department of environmental protection through a beneficial use determination for the production of heat or power; (5) energy efficient steam technology; or (6) any other alternative energy technology approved by the department under an administrative proceeding conducted under chapter 30A; provided, however, that the following technologies shall not be considered alternative energy supplies: coal, except when used in gasification; petroleum coke, except when used in gasification; oil; natural gas, except when used in gasification or combined heat and power; and nuclear power.

(b) The department, in consultation with the department of environmental protection, shall set: (1) emission performance standards, including standards for carbon dioxide emissions, on a case by case basis such that the emissions for a specific technology utilized, are optimized (2) permanent sequestration definitions and standards, and (3) fuel conversion efficiency standards for all technologies included in this section such that in the case of gasification, the total overall fuel conversion efficiency from feedstock to final combustible fuel shall not be less than 70 per cent, consistent with the commonwealth's environmental goals, including, but not limited to, the reduction of greenhouse gas emissions. At least once every 2 years the department shall review and update all standards for new alternative energy generating sources to strengthen them, if appropriate, as technology improvements occur.

(c) The department shall adopt regulations allowing for a retail supplier to discharge its obligations under this section by making an alternative compliance payment in an amount established by the department. Such regulations shall outline procedures by which each retail

37 supplier shall annually submit for the department's review a filing illustrating the retail
38 supplier's compliance with the requirements of this section.

39 (d) A municipal lighting plant shall be exempt from the obligations under this section so
40 long as and insofar as it is exempt from the requirements to allow competitive choice of
41 generation supply under section 47A of chapter 164.